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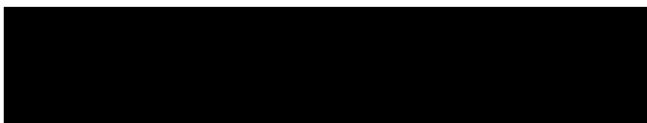
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HISTORICAL DEVELOPMENT

Office of Personnel
1945 - 1950

BACKGROUND

Demise of OSS:



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Birth of CIG:

"Persons assigned from State, War and Navy Departments were 'collectively' to form the new organization."

Liquidation of SSU:

The Secretary of War had directed on 29 January 1946 that the Organization be closed down. "The CIG seeks the administrative experience of SSU through duality of appointment."

Personnel Staff:
1946 - 1950

The initial personnel organization, decentralized under an Executive for Personnel and Administration, serviced all components except for the Office of Special Operations.

Covert Authority Versus
Centralized Administra-
tive Control:

A continuing dilemma for the Office of Personnel, as well as for other Support components.

Establishment of CIA:
July 1947

The primary problem continued to be that of obtaining qualified personnel.

Personnel Organization -
October 1947:

The basic personnel components were established. Many problems remained.

Special Authorities and
Responsibilities of
Personnel Office:

Beginning of gradual disengagement (by mutual agreement) from CSC's jurisdiction on matters in which such exception was deemed necessary.

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Dulles and Eberstadt
Surveys of CIA 1948 -
1949:

Both surveys concluded that administrative staffs were inclined to interfere unnecessarily in matters which were not their concern. The Dulles Group opted for covert autonomy.

DCI Response to Survey
Recommendations:

Admiral Hillenkoetter did not agree with survey groups' basic assumptions and recommendations.

Change in Command -
December 1950:

General Smith brought to leadership of CIA strong interest in administrative and personnel matters.

Reorganization of
Personnel Office along
Functional Lines:

In late 1950 a recentralization of administrative support functions took place under the new Deputy Director for Administration.

Enlargement of Scope of
Personnel Office
Responsibilities:

Personnel Director charged with "development, preparation and execution of all Agency personnel programs and advising officials on all matters of personnel policy."

Career Service Program:

Establishment of a career corps a major priority of the DCI. A Career Service program was developed and an Agency Board established to coordinate career service activities.

Personnel Office
Developments 1952 - 1953:

The Agency became fairly well stabilized in its staffing. With recruitment limited to replacement of attrition, emphasis shifted to development of a well-rounded personnel program.

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DEMISE OF OSS

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On 20 September 1945, the Bureau of the Budget issued a paper which reviewed the intelligence effort in the United States, and praised the Office of Strategic Services (OSS) for its remarkable contribution to the war effort. It recommended, however, that another type of intelligence organization better suited to peacetime be organized and set up to replace it.

On the same date, President Truman issued an Executive Order disbanding the OSS and charged the Secretary of State with the responsibility for planning and organizing a new intelligence system. The Research and Analysis Branch and the Presentation Branch of the OSS went to the Department of State to aid in developing foreign policy. The other OSS components--assets for secret intelligence, counter espionage and covert action operations--were transferred to the War Department and incorporated in the new Strategic Services Unit (SSU). The Secretary of War was directed to discontinue those activities he felt could be dispensed with in peacetime. Those intelligence functions which would be needed

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permanently were to be maintained and were later to be transferred to

the Central Intelligence Group. [REDACTED] who

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had been General Donovan's Deputy for Intelligence, headed the SSU, and

at once began whittling the Organization's numbers. By the end of

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October 1945, the OSS which at its peak had numbered between [REDACTED]

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[REDACTED]¹ exclusive of agents and other foreign nationals in

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special capacities, had been reduced to fewer than [REDACTED] by

January 1946, to little more than [REDACTED]

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In his book, Central Intelligence and National Security, Harry
Howe Ransom gives a colorful and probably accurate commentary on the
people who made up the OSS.

Colonel Donovan's OSS blossomed and spread throughout
Washington and the world in something of a Gilbert and Sullivan
manner. By war's end some [REDACTED] OSS workers were engaged in
every kind of work believed to be strategically important.
OSS personnel comprised a hodge-podge of Americans believed
to have some talent for the frontier-less game of strategic

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intelligence and special operations. OSS was, in fact, an assemblage of college professors and Hollywood stunt men, Wall Street bankers and Chicago bartenders, football players and missionaries. "There were men who did careful scholarly work, men who did sensationally dangerous work, and men who did absolutely nothing except travel around the world on a high priority at Government expense."

An indication of the scope of OSS activity is seen in its budget estimate for Fiscal Year 1945: [REDACTED].³

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The breaking up of OSS and building a new central intelligence organization almost literally from its ashes was, and would be, a monumental task. Thoughtful observers took stock as OSS went out of existence. "It had engaged in the widest variety of enterprises, calling for more different skills and personalities than any other American Government organization previously existing."⁴

BIRTH OF CIG

President Truman's letter to the Secretaries of State, War and Navy, dated 22 January 1946, established the Central Intelligence Group

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(CIG), "subject to the existing law, and to the direction and control of the National Intelligence Authority the Director of Central Intelligence shall * * * * Perform for the benefit of said intelligence agencies such services of common concern as the NIA determines can most efficiently be accomplished centrally." Persons assigned from the Departments of State, War and Navy were "collectively" to form the new organization.

Rear Admiral Sidney W. Souers, USNR, was personally chosen by President Truman to be the first Director of Central Intelligence. His first priority was to establish the CIG, and start it in operation as a body of intelligence specialists drawn proportionately from the departments and serving the departments under the supervision and control of the department heads in the National Intelligence Authority (NIA).

A far-seeing man, deeply versed in intelligence, the first Director was well aware that he faced innumerable and seemingly insurmountable problems in staffing his Organization. Salaries and expenses were to be borne by the three parent agencies; the CIG had no independent means of acquiring employees, no budget of its own and no authority to spend the funds at its disposal. The departments had been directed by

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the President to assign personnel to CIG. Suspicious of the new agency's potential power, fearful that assigning to it highly-qualified members of their staffs would undermine their own missions; they minimized the urgency of CIG's staffing. It was not unusual to recommend individuals they wished to "ease out" of their offices. Many recommendations for employment in CIG were not bona fide nominations. Some candidates were headed for more important responsibilities in their own agencies and could not remain long with CIG at best. Often the best-qualified individuals were not included on the list of available candidates; they were needed where they were. CIG suffered from the department's inability (and marked reluctance) to provide adequate personnel and the facilities it must have.

Admiral Souers realized that many in the Army, the Navy and the Department of State were continuing to resist any thought of a central intelligence organization which might overpower or monitor their own intelligence efforts.⁵

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Throughout his five-month tenure as Director, Admiral Souers was unable to persuade the NIA and the departments that it was essential he be given a separate budget and independent hiring authority. There was no appreciable outside recruiting during the early stages of CIG's existence (January to September 1946) since the directive establishing it provided for the transfer of personnel and facilities from the three "interested" Departments. A sort of liaison was carried on with these departments. Early recruitment amounted to inter-agency rather than outside procurement. Some individuals were brought into the Group from the ranks of OSS by direct interview and negotiation with the head of the Personnel and Administration Branch, but this still approximated an inter-agency transaction. Certain other units of CIG were obtained intact through transfers from other organizations.

Prior to September 1946, therefore, no formal recruitment or procurement section existed.⁶ Not until Admiral Souers' successor, General Hoyt Vandenberg, had done valiant and decisive battle with the NIA was an embryo recruitment and placement activity established.

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NIA Directive No. 2 of 8 February 1946 activated the staff of the Central Intelligence Group. A small group of personnel from the Departments of State, War and Navy had already been gathered together three days after the President's letter of 22 January 1946 directed the establishment of the CIG.⁷

The authorized T/O of the CIG totaled one hundred and sixty-five persons. These were to be drawn equally from State and Navy, which were to contribute forty-three individuals each; Army, including the Air Force, was to supply seventy-nine. The Central Reports Staff had a T/O of sixty-one; the Central Planning Staff, one of forty; and the Personnel and Administrative Branch (P&A), an authorization of sixty-four. The P&A Branch consisted of an Administrative Officer, a Security Officer, a Personnel Officer, and a small group of trained technicians to provide necessary administrative services. The authorization of sixty-four, however, included the Office of the Director, the Chief of Operational Services with a small staff, and a small Secretariat set up to serve the NIA, the CIG and the Intelligence Advisory Board (IAB).

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On 7 June 1946 when Admiral Souers made his final progress and status report to the NIA, the staff of the CIG totaled eighty-four individuals--51 percent of the one hundred and sixty-five employees authorized four months before. (Thirteen of the eighty-four persons then counted as staff in his report had been accepted but were not yet on duty or assigned.)⁸

General Vandenberg, upon assumption of the DCI responsibilities on 10 June 1946, began a vigorous campaign for independent funds and the right to hire his own people. He stated to the NIA that it was extremely difficult to secure the necessary qualified personnel by requisition from the departments. He needed money and the right to spend it-- authority to hire and fire. A working fund for CIG, made up of allotments from State, War and Navy, was approved subject to the administration of the DCI for paying personnel, procuring supplies and equipment and the certification of vouchers. On 5 September 1946 authority was granted the DCI to administer it.⁹ This was a step forward, but the CIG was still without its own independent budget.

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CONTINUING LIQUIDATION OF SSU

It was originally estimated that the liquidation of SSU personnel and assets would be completed by 30 June 1946. The Secretary of War had directed on 29 January 1946 that the Organization be closed down by that date. The liquidation period was later extended to the end of June 1947. Despite the impressive reduction of former OSS members from the Strategic Services Unit, a considerable body of talent remained to be considered for retention or disposal. [REDACTED] argued strongly that the SSU possessed assets that were literally irreplaceable for intelligence procurement in peacetime.

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In February 1946, Admiral Souers, with the approval of the Intelligence Advisory Board, established an interdepartmental committee to study the problem of the SSU. The committee concluded that the SSU was a going concern for field operations, that it should be "properly and closely supervised, pruned and rebuilt" and placed under the CIG. Liquidation of those covert units not considered applicable to the permanent peacetime structure would continue, but such personnel and activities as the DCI thought wise

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to retain would be transferred to CIG under terms of new employment. The War Department would continue to supply funds for this group pending the granting to CIG of its own budget.¹⁰

It was this gathering of experienced ex-OSS officers and technicians that made up the administrative and operational staff of the Office of Special Operations established in July 1946 under CIG. CIG Personnel Order No. 3 of 17 April 1946 stated "The CIG seeks the administrative experience of SSU through duality of appointment--appointment of SSU officers to CIG positions." And a summarization of CIG Personnel Orders September 1946 through January 1947: "With increasing capability of CIG Personnel Office, the chosen personnel of SSU administrative offices are assigned to appropriate CIG components in both the Project Support Division and in the new components being established to service the new 'overt' offices of CIG."¹¹

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PERSONNEL STAFF 1946 - 1950

The initial personnel organization was decentralized under an Executive for Personnel and Administration who was responsible for all administrative support of CIG.

The Executive's staff for administrative support matters in 1946 consisted of the Personnel and Administrative Branch (P&A), with a section headed by a Personnel Officer responsible for personnel management in the Agency. The Personnel Section serviced all components of CIG except for the newly-established covert Office of Special Operations (OSO). James

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██████████ was the first Chief, Personnel Section. He was succeeded in September 1946 by Judson Lightsey, whose new Deputy, William J. Kelly, was to take his place in 1948.

In July 1947, the Executive for P&A was renamed Executive for Administration and Management (A&M), with Personnel established as a branch along with other support branches. In August 1948, ██████████ became Assistant Chief, Personnel Branch, under Kelly, whom he would follow as Personnel Director in 1951.

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In July 1946, when the Office of Special Operations (OSO) was established to carry on the CIG's covert operations, it had, ready-made, its own self-sustaining administrative staff, manned by former OSS officers and technicians who had remained with SSU to assist in organizing CIG.

OSO's personnel functions were carried out by a Personnel Procurement

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[REDACTED]. William G. Tharp who had been Chief, Personnel Branch as well

as Executive Officer for Administration, SSU, remained in charge of per-

sonnel when OSO was activated. [REDACTED] became Chief, Personnel

Procurement Section in September 1946. [REDACTED] became Acting 25X1A

Deputy Chief, Personnel Division, OSO in September 1947 and Assistant

Chief, in December 1948. He was later to be appointed Deputy Personnel

Director, CIA, in October 1964 and Personnel Director in January 1968. By

mid-1948, OSO's administrative staff, renamed the Administrative and

Services Staff (A&S), consisted of three Divisions, Personnel, with a

Recruitment and Placement Branch; Special Funds Division and Transportation

and Supply Division. In August 1948, OSO and a new covert office, the

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Office of Policy Coordination (OPC) proposed a merger of their two administrative offices. The combined unit would be responsible for all covert support functions (except for personnel investigations). Each Office would have its own personnel officer; both would be represented by a combined staff chief to be located in the Director's office; separation from the Executive's central staff and authority would be virtually complete. The proposal met with vehement and eloquent objection from the Executive and his Deputy, [REDACTED] The latter in two memoranda to the DCI, charged that duplicate staffs would lead to confusion in CIA's relations with the Bureau of the Budget and Congress, internal competition between overt and covert offices for the Agency's administrative resources and a weakening of the cover arrangements for administrative services required by the covert offices. Duplication, inefficiency and wasted effort would inevitably continue to result. The use of the term "operational security" could be read as an effort "to achieve covert autonomy."¹²

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A compromise was effected for a time in September 1948 by merging the Executive's staff offices and OSO's Administrative and Services Staff

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into a single group of five divisions, each subdivided on an overt-covert basis under the Executive for Administration. OSO and OPC were authorized to maintain "necessary small administrative staffs for internal operations."¹³

In October 1949 a fundamental reorganization established completely separate staffs for supporting each side of the house: the Administrative Support Staff (A&S) to service overt activities, and the Covert Support Staff (CSS) to provided services to the covert components. CSS was later renamed Special Support Staff (SSS). The central Personnel Staff was split into two Personnel Divisions, one in each of the administrative staffs. At the same time a Personnel Staff was established overall to provide policy guidance to the Executive on personnel matters. This general organization prevailed until October 1950 when General Walter Bedell Smith assumed the DCI responsibilities.

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COVERT AUTONOMY VERSUS CENTRALIZED ADMINISTRATIVE CONTROL

Organizationally, the [REDACTED], OSO, and its successors were placed directly under the Executive for Personnel and Administration. His control over their activities was circumvented, however, by, among other factors, a conviction long-held by covert operators that their activities should be autonomous and compartmented from a less specialized "overt" side of the house. The new OSO, staffed with experienced wartime OSS operators and support specialists, naturally believed they knew best how their "shop" should be managed. This struggle with divided authorities was to cause numerous difficulties for the Personnel staff in administering an Agency-wide personnel program. Dedicated men of good will staffed each side of the schism. But chauvinism dies hard. The issue would remain a continuing dilemma for the Office of Personnel as well as for other support components for some time to come.

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ESTABLISHMENT OF CIA - JULY 1947

In May 1947, General Vandenberg was recalled by the Army to military duty as Chief of the new USAF. His term had spanned eleven strenuous months marked by hard-won accomplishment and progress in helping the new CIG gain some measure of equilibrium, but with serious jurisdictional problems in relation to other members of the intelligence community as yet unresolved.

He was replaced by Rear Admiral Roscoe H. Hillenkoetter, a politic and able officer, who had distinguished himself on assignments in Moscow and Paris before and during the war, organized an Intelligence Center at Pearl Harbor, and was once more engaged in intelligence collection in Paris when he was appointed the new DCI, reportedly against his wishes.¹⁴

In July 1947 the National Security Act established the Central Intelligence Agency (CIA) and transferred the personnel, property and records of the former CIG to the new Agency. With CIA's establishment the overall size of the Organization was considerably increased, but the primary problem continued to be that of obtaining qualified personnel

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to staff the ever-increasing programs. CIA's population in September

25X9 1947 totaled [REDACTED] By 1948 strength had risen to [REDACTED] employees.¹⁵ 25X9

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PERSONNEL ORGANIZATION - OCTOBER 1947

Despite the relative inexperience of the new CIG-CIA Personnel Office and the necessity for providing a wide variety of personnel services for an Agency constantly growing in numbers and complexity of mission, much had been accomplished in a year's time in putting together a workable personnel organization.

A remarkably prescient and thorough review of the functions and staffing of the Personnel Office was set forth in a memorandum to the Chief of Personnel in October 1947 by a newly-recruited, experienced Personnel Officer [REDACTED]

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The survey made apparent the uncoordinated, hasty and highly-motivated efforts put forth to build an urgently-needed personnel organization in a very short time. It also revealed an alarming shortage of trained personnel and experience in the personnel management field in the Personnel staff.

By that time, October 1947, the central Personnel Office had developed a Transactions and Records Division, containing Mail and Records and Processing Sections; a Classification and Salary Administration

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Division; a Personnel Relations Division; a Placement and Procurement Division with a Testing and Evaluation Section; and an embryo Training Division. It is safe to say that most of these offices were still in the formative stage of inovating and "trying things out." But they had been established and were going concerns.

Personnel procurement was confined to the efforts of three or four men "on the road" who doubled in brass as placement officers. One

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Recruiters were neither experienced nor trained in procurement functions--interviewing, writing meaningful interview reports, making contacts, etc. Priorities and requirements for the types of personnel needed were not spelled out for their guidance. On the home front, untrained processing personnel and overburdened placement officers (who frequently had just returned from recruiting to "place" their recruits) often erred in evaluating applications; files were not organized, were frequently lost or mislaid.

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Operating Officials held applications for lengthy periods. Letters of

acceptance or rejection were delayed. Most alarming was the time lag experienced in obtaining security clearances; the average time required for clearance, even for individuals in the Washington area, was six and a half months. In the six months preceding [REDACTED] report, sixty-five stenographers had declined employment because they "couldn't wait" for security processing. He recommended that a "holding" pool be established where clerical personnel could be assigned to await completion of security clearance.

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A brief survey of positions in OSO brought to light the fact that jobs in that area were not classified by trained individuals, often not classified at all. Government-prescribed classification principles were looked upon with suspicion. Desk audits were not permitted; certification by the OSO Personnel Section was all that was required.

And so it went. The Chief of the Classification and Salary Administration also headed the Personnel Relations Division. None of the staff

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had been trained in counseling and interviewing techniques. They, too,

in common with most of the Personnel Staff were enthusiastic, highly-motivated, inept.

The need for a strong training and orientation program throughout the Personnel Office was apparent in all of its units. And so was the urgent requirement for increase in staff.

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██████████ stated that next to reorganizing and strengthening the chaotic procurement function, development of a really effective training and orientation program appeared to require the most immediate attention of the Chief of Personnel and his Deputy. He felt that recruitment should eventually be divorced from placement.

As the Office (Procurement) is presently operating with very inadequate staff--in terms of quality--and practically non-existent in terms of numbers, it will never get the job done. A review . . . reveals that in many months we are losing ground. Either the requisitions for personnel should be cancelled or top side should recognize that the Personnel Office is not equipped to fill the

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needs of the operating offices. With the labor market getting

tighter every day, this suggestion should be activated without
delay.¹⁷

It is interesting (and a measure of the youth of the Agency) to
note his statement that he had not been able to obtain an organization
chart of the Personnel Office or the Agency.

It appears to be generally understood that the Inspection
and Security Chief frowns upon too much orientation, basing
his opinion on the need-to-know basis. I feel that this is
more a case of a little knowledge being a dangerous thing and
the fact that an employee of one element doesn't know anything
about the functions of the rest of the Agency will cause more
security violations than if generally informed. This should
not be construed as a recommendation that all employees be
briefed on all clandestine operations.¹⁸

A statement by a veteran recruiter in mid-1952 sums up the "personnel"
situation: "Throughout this period of uncoordinated effort, there was
no grumbling over long hours or other lack of good will shown to the

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job at hand. The expansion of the Agency was simply getting ahead of

the physical abilities to cope with it." ¹⁹ If the Personnel Office

employees were often untrained and inadequate, they at least toiled with
good heart and dedication.

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██████████ proposed some remedies:

Orientation and training for all personnel employees. Training
program for interviewers.

Separation of Placement and Procurement Functions, Immediate
increase in procurement staff.

More active recruiting campaign particularly with respect to
contacts with private industry, universities, professional
societies.

A small group of personnel technicians to develop procedures,
conduct special studies, review work flow, T/O's, staffing,
budget, legislation, make valid recommendations to Personnel
Director of personnel management program.

Initiation of 30, 60, 90-day follow-up interviews with each new
employee to determine validity of initial placement, proper
utilization for future.

Periodic reconciliation of personnel requisitions with records
of operating offices.

Coding of applicant files by occupational code, files to be
rated by three-man board as to qualification by grade levels.

An IBM system of personnel statistics reporting to be used as
well in T/O's and management reports.

Transfer of entire personnel statistics function (then in part
handled by Management Office) to Personnel Office from whose
records statistical reports were compiled.

Increase in space as well as staff for all personnel operations.

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With the necessary components of a basic personnel program

established, personnel planners began to look into means of refining and expanding personnel programs, adjusting such activities to CIA's peculiar mission requirements and demands upon its members. Some of

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██████████ recommendations were, step by step, put into practice. In 1948 the first "pool" of provisionally-cleared employees was established providing needed employment and orientation and training to new individuals awaiting completion of security clearance. Authorization for thirty such new employees was initially granted, reluctantly, by the Executive. By the end of 1948, two such pools totaling two hundred persons were administered by the Personnel Office.

Follow-up interviews were initiated by the Placement and Procurement Branches for a period, but later had to be discontinued because of shortage of staff.

The Testing and Evaluation Program was enlarged and augmented. Development of an IBM system of personnel statistics reporting was begun to replace the laborious "hand count" method of maintaining records and compiling statistics.

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Later, in 1951 a small group of young personnel procedures

and

technicians was put together informally attached to the Personnel

Director's office to assist him in developing some of the "basics" of

a well-rounded personnel management program. The group was first

formalized as the Personnel Studies and Procedures Staff in April 1951

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under [REDACTED] It would develop into a strong supporting

research and planning arm of the Personnel Director.

The 1952 historical coverage, mentioned above, makes this observation:

The relatively orderly growth of the early years is due in part to lack of recognition of the vital importance of the Agency to national security. The budget was gradually increasing as the staff grew in size and additional functions were assigned to the Agency, but it is proper to say that a sense of urgency was lacking. Two reports had been made by extraneous investigators . . . but despite the call for a more aggressive policy, little change was apparent in the atmosphere. 20

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This may have been true of the Agency in general, but there was little time for resting on laurels in the Personnel Office Staff. The size of the Office had generally reflected a concept of personnel management as a limited service function, existing primarily to locate employees and process employment papers. Even to operate in that limited role the staffing of the Office had not been adequate. The Organization as a whole was growing in size but it was several years (until well into 1951) before the staffing needs of the Personnel Office were to be recognized. The expansion of personnel in the various operating segments amplified and intensified the activities performed in the Personnel Office by a staff which constantly shrank in proportion to the total Agency staff. For this reason it was often necessary to neglect major programs of personnel management in order to provide the recruitment effort essential to locating and initially assigning personnel. Numerous programs--placement follow-ups designed to determine the effectiveness of initial assignments and effect the most appropriate placement of personnel, establishment of qualifications standards to

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insure obtaining and utilizing the best qualified individuals, and of

classifications standards to see that equal pay for substantially similar work was provided--all were recognized as essential and earnestly desired but could not be satisfactorily and thoroughly carried out because of the need for concentrating all available efforts on immediate problems. Heavy hiring operations were carried on in an atmosphere of pressure and uncertainty as to needs, and without the assurance that the individuals recruited would adequately serve the Agency's requirement for an effective, productive work force.²¹ The skeleton staff of personnel technicians had been so preoccupied with day-to-day operating pressures that little, if any attention could be devoted to performing those functions essential to development of a vigorous and constructive personnel management program.²²

Not until General Smith's assumption of the DCI responsibilities in late 1950 did the Personnel Office begin to receive recognition as a function deserving of strengthening and firm support.

Despite the continuing efforts of the undermanned personnel staff to keep its head above water during this period of growth, a measure of

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stability had been achieved. Reorganizations would recur, but the

original structure was to remain essentially the same except for the

addition of new responsibilities and functions required to meet growing

demands. New problems would arise, but they would not differ greatly

from problems which had occurred and been resolved in the predecessor

organizations. Continuity of leadership was another positive asset.

Key personnel who had helped to develop and apply personnel management

concepts and to form CIG and CIA into a large and vital organization

were to continue in positions of leadership through the period 1950 to

1953, and in some cases until the present day. Fortunately for the

Agency these elements of stability and continuity obtained in like

manner throughout the administrative support components and the Organiza-

tion as a whole. ²³

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SPECIAL AUTHORITIES AND RESPONSIBILITIES OF THE PERSONNEL OFFICE

Two of the primary aims of the Personnel Office had been to handle day-to-day operations as efficiently and expeditiously as possible and at the same time to set up a personnel organization and program which would serve the Agency's needs at that time and in the future. Because of the nature of the functions performed by CIG and CIA, there were many unique problems which could not be solved by following customary Federal personnel policies, procedures and practices. The necessity for strong security controls, including physical security requirements permeated all efforts toward accomplishment of the personnel management mission. In recognition of that fact, the Agency was exempted from various requirements generally established for Federal Agencies. In September 1947, the Civil Service Commission excepted the Agency from all Civil Service competitive examination and certification procedures normally followed in making Federal appointments.²⁴ This action was among the first of a series moving the Agency toward gradual "disengagement" (by mutual agreement) from the Commission's jurisdiction on matters in which such

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exception was deemed necessary. In October 1949, after representations on the matter by Admiral Hillenkoetter, the Congress exempted CIA from the requirements of the Classification Act of 1949 which prescribed position classification and salary administration requirements for most Federal agencies. The Director stated his intention, however, that the Agency adhere as closely as possible to the principles and policies stated in the Act. Prior to its passage there had been an earlier understanding with the Civil Service Commission that the Agency was privileged in position classification by virtue of authorities contained in Public Law 110, and the previous Commission practice of reviewing Agency position allocations was discontinued.

The National Security Act of June 1949 (Public Law No. 110) had also vested in the DCI authority to effect terminations of employment whenever deemed "necessary or advisable in the interests of the United States"--despite other provisions of law governing the separation or removal of Federal employees. It also exempted CIA from the provisions of any laws requiring disclosure of the "organization, functions, names,

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officials' salaries or numbers of personnel employed." More significantly, it permitted the Director broad authority to procure "supplies, equipment and personnel and contractual services" outside of normal Government channels and standards--"a measure of administrative autonomy in procurement unique in the Federal Government."²⁵

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ESTABLISHMENT OF PERSONNEL OFFICE ALONG FUNCTIONAL LINES

Between October and December 1950 a recentralization of the administrative support functions of the Agency took place under the new Deputy Director for Administration (DDA). The Special Support and Administrative Support Staffs were abolished and their functions remerged with the staff offices under the DDA. The former Personnel Staff with the Overt and Covert Personnel Divisions became the Office of Personnel under the leadership of a Personnel Director. As in other support areas, responsibility for clandestine personnel matters was redivided between two divisions--a reconciliation of the need for centralized administrative responsibility and the requirement for compartmentation and operational autonomy.

Personnel Division (Overt) provided placement, personnel relations and transactions and records services for the overt offices, and a clerical pool and a testing service for the Agency as a whole. Personnel Division (Covert) furnished services for the covert offices. The Classification and Wage Division provided a central wage and salary

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administration program. A Personnel Procurement Division was set up to supply a central recruitment program for the Agency, replacing the recruitment services formerly provided by the Placement Branches of the two Personnel Divisions. The Military Personnel Division, previously located in the overt Personnel Division, was established independently to continue its function as the central military personnel office.

William J. Kelly, who had headed the former Personnel Staff, continued in charge as the Personnel Director. His Deputy was [REDACTED]

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[REDACTED] who had been in charge of covert support until December 1950 and was now responsible primarily for personnel management in the covert offices.

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DULLES AND EBERSTADT SURVEYS OF CIA 1948 - 1949

Two surveys of the internal workings of the Agency were conducted during 1948 and early 1949 as part of an overall scrutiny of all of the intelligence services. Although both survey groups were to review the Government's intelligence system as a whole, they tended to concentrate (especially in the case of the Dulles Group) upon the CIA as the newest, most controversial and most vulnerable member of the intelligence community.²⁶

Although charged primarily with examining the intelligence and operational activities of the Agency, the two survey groups did not overlook the administrative side of the Organization. Both the Hoover Commission Task Force, headed by Mr. Ferdinand Eberstadt, and the Dulles Survey Group felt that the administrative staffs were inclined to interfere unnecessarily in intelligence and operational matters which were not their concern. On that question as well as on the question of covert autonomy versus centralized administration, the Task Force felt that some degree of separation of authority was probably desirable but believed it should be left to the Agency to resolve its difficulties. With regard to Agency management, the Task Force felt that for the

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CIA as for most organizations, the major problem was one of personnel. The rapid expansion under General Vandenberg had led to some errors in recruitment, but this was an internal problem, a matter for the Director and his assistants to resolve. Continuity of leadership combined with internal development would work in tandem to improve the situation.²⁷

The Dulles Survey Group's observations and recommendations were more specific and strongly-worded; its members were more inclined to look into the "fitness" of the individuals charged with running the Agency.²⁸ They believed that administration had acquired a degree of dominance which threatened to control overall policy. Covert autonomy--control of operations and internal administration, including recruitment and selection of all covert personnel--was strongly advocated.²⁹

Commenting on the personnel management program, the Dulles Group attributed many of its difficulties to the fact that CIA "labors under a difficult personnel problem," citing "extremely varied personnel requirements, . . . sensitive security considerations" which restricted the recruitment effort, the requirement for anonymity for "a large part of its personnel," need for

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"persons with highly specialized talents, as well as. . . broad experience."

Contributing to the complexity of the situation were the "youth of the organization," and the "conditions of change and uncertainty "which rendered recruiting and retaining qualified individuals "even more difficult." ³⁰

The swift growth of the organization had been attained "at the expense of the quality of personnel selected. Many able persons have left the organization and few qualified ones have been attracted to it. On the higher levels, quality is uneven and there are few persons who are outstanding in intelligence work."

Summing up the personnel situation the Report stated, "On the whole, morale within the Central Intelligence Agency is not good," because of "uncertainty as to the future of a career in intelligence. . . widespread criticism of the performance of the Agency, dissatisfaction with leadership. . . relatively high proportion of Service personnel in key positions" . . which tended to "discourage competent civilians from seeking employment in the CIA. . . delay in security clearances." ³¹

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DCI RESPONSE TO SURVEY RECOMMENDATIONS

For many months after he assumed the leadership of CIA, and indeed throughout his tenure as DCI, Admiral Hillenkoetter sustained formidable opposition on the question of the DCI's scope of authority from his peers in the intelligence community who had little taste for becoming subordinates. He could then perhaps be forgiven for a somewhat less than enthusiastic response to the recommendations from the two survey groups from the "outside." His reorganization of September 1948, he believed, had been successful; it had also been necessitated by the Bureau of the Budget's order to eliminate duplication in line with the Eberstadt recommendation that administrative overhead be reduced. He did not agree with the Dulles Group's urging that covert administration be completely separated from the overt administrative mechanism of the Agency.

The committee's report seems to indicate undue emphasis and alarm in connection with complete autonomy for covert components of the CIA. There has to be an umpire someplace, and no one, directly responsible for operations, should be his own final authority and judge in the utilization of funds and personnel.

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Nor did he feel that the administrative support groups dominated the intelligence and operational components of the Agency. They acted in an advisory capacity only.

Administration has no voice in determining the substance of operational direction, guidance, and production, nor should it ever have.

Commenting on the "never-ending argument" surrounding the issue of administration versus operations, he expressed himself strongly.

The operating people would like to be given a lump sum for their operations and complete latitude with regard to numbers and grades of personnel, travel authorities, new projects, etc.

The results of such action, without controls, is obvious--chaos--

No agency, regardless of its nature, and emphatically one that handles confidential government funds, can possibly avoid such controls.

Commenting on the conclusion in the Dulles Report that many good people had left the Agency, the Director pointed out that of [REDACTED] employees in the

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three highest grades, only twenty had left (some involuntarily) during 1948.

He supplied tables showing the turnover and the reasons for separation.

Attrition of all personnel in the Agency had averaged 1.6 percent a month--

a rate considerably lower than that in most other agencies in Government.

With regard to the charge that few individuals were "outstanding in intelligence work," Admiral Hillenkoetter, while admitting the difficulty of establishing an absolute criterion as to ability, presented tables showing qualifications of professional personnel, remarking that if scholarship and experience had any bearing, these would "demonstrate that the CIA is not totally devoid of capable people."³²

During the remainder of his tour as DCI, while acknowledging the existence of the surveys, Admiral Hillenkoetter did not officially comment further upon the recommendations, nor were they acted upon. The 1948 reorganization remained in effect.

CHANGE IN COMMAND

During the summer of 1950, Admiral Hillenkoetter made known his decision to retire and return to military service. He stepped down from the Directorship

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of the Agency the following October and was succeeded by General Walter

Bedell Smith, chosen by Admiral Leahey for the task.

General Smith brought to the leadership of CIA a particular interest in administrative and personnel management matters. Assigning Deputy Director status to the position of the Executive of the Agency was his first step toward giving added prestige to the administrative support function. During his tenure he placed continuing emphasis upon raising the caliber of Agency employees while keeping a close watch on undue expansion, preferring to hold the Agency's operations to a limited number it could discharge with distinction rather than attempt to cover a broad field with poor performance.³³ Establishment of a career corps and a career service was a major concern.

While General Smith did not appear to share Admiral Hillenkoetter's concern about the separation of authority issue, (in subsequent developments covert autonomy was strengthened) he nevertheless was determined to act on the recommendation of the survey and to face up to the difficulties engendered by the schism. Early in 1952, he brought the participants in the conflict to firm and decisive book.

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A memorandum from the Director to the DDCI and the Assistant Directors dated 9 January 1952, set forth the principles which were to govern administrative support for OSO and OPC:

1. The central administrative organization would not parallel the operational command system.
2. Officers responsible for operations would be allocated personnel, funds, and material. . . they would be held responsible both for the success of their operations and the prudent and effective expenditure of means. . .
3. The DD/A was responsible for all administrative support to the Agency. On the operational level this included appropriate audits and inspections.
4. The Assistant Directors of OSO and OPC were to designate an officer to be responsible for administration.
5. The DDP would be provided an administrative assistant by the DDA. . . to coordinate operations of the administrative officers of OSO and OPC and to be the channel for presenting demands to allocating authority.³⁴

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The issue was thus masterfully, (and it was to be hoped, finally)

joined.

ESTABLISHMENT OF PERSONNEL OFFICE ALONG FUNCTIONAL LINES

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Division provided a central wage and salary administration program. A

Personnel Procurement Division was set up to supply a central recruitment program for the Agency, replacing the recruitment services formerly provided by the Placement Branches of the two Personnel Divisions. The Military Personnel Division, previously located in the overt Personnel Division, was established independently to continue its function as the central military personnel office.

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ENLARGEMENT OF SCOPE OF PERSONNEL OFFICE RESPONSIBILITIES

The charter of the new Personnel Office after the reorganization of December 1950 was enlarged. The Personnel Director was charged with "development, preparation and execution of all Agency personnel programs and with advising Agency officials on all matters of personnel policy." Personnel services for the Agency included recruitment, selection and placement of

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employees; procurement, assignment and administration of Armed Services personnel detailed to the Agency; salary administration for all classes of departmental and field employees; internal promotion and overseas rotation programs and a personnel relations and welfare program; and record-keeping on all personnel matters. ³⁵

While liaison responsibilities had not been spelled out in earlier organizational charts, maintaining working relationships with outside agencies had from the beginning been an important Office of Personnel function. By 1950 the Personnel staff represented the Agency in liaison activities with the Selective Service System on draft deferment problems affecting CIA employees; with the Defense Department in matters of procurement, assignment and disposition of military personnel detailed to CIA; the Federal Personnel Council, the Civil Service Commission, the United States Employment Service and the State Department in matters of personnel policy and operations, particularly in those relating to recruitment. Private industry and academic institutions were also regularly contacted in connection with procurement of personnel. Added to these were liaison with the Bureau of the Budget,

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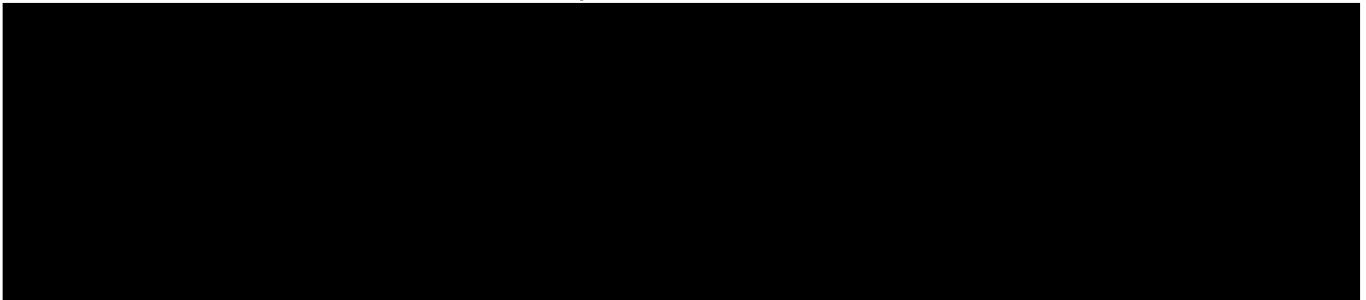
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the General Accounting Office and General Services Administration, the Appropriations and Armed Services Committees and other legislative groups on matters pertaining to projected legislation for CIA employees. By February 1951 liaison channels had been established with the Bureau of Employees Compensation with regard to compensation claims arising out of CIA employment.

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Approval had also been received on the CIA request to the Department of Defense for raising the service personnel representation to the Agency, with a greater increase in such representation under consideration by the Department.

Liaison with the National Selective Service Headquarters and the Personnel Policy Board, Office of the Secretary of Defense, had been sufficiently successful by early 1951 that Agency draft deferment cases and cancellation of recalls in cases deemed vital to CIA had become "practically automatic."³⁶

In addition, the Personnel Office had from the beginning performed all personnel management services for the National Security Council (NSC),

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established in October 1947 as successor to the National Intelligence Authority.

Staff employees and staff agents were only one of the categories of individuals included in the personnel management program of the Agency.

Other categories, each involving special administrative procedures, were covert employees serving overseas, foreign nationals, contract employees, contract and career agents, employees of proprietary organizations, unpaid contacts [REDACTED] civilian and military

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personnel detailed to CIA from other Government agencies, and consultants, recruited from industrial, academic and other non-Government institutions.

As mentioned above, a staff group, the Personnel Studies and Procedures Staff, was authorized in the reorganization of December 1950, and established to function as an arm of the Personnel Director to assist in carrying out effective, coordinated work throughout the Personnel Office. Its functions were surveying, reviewing and reporting to the Personnel Director on all phases of the personnel program, field and departmental; developing and coordinating legislative, budgetary, procedural and reporting requirements;

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planning, developing and conducting studies of personnel office organization, staffing, standard operating procedures and special management projects and studies.

In his progress report to the DDA dated 14 February 1951, William J.

Kelly, Personnel Director, commented on tangible fruits of the reorganization.

Regarding the complete reorganization of the Personnel Office. . .

We attained several things which previously were not possible.

The first and most important was a complete centralization of

all personnel procurement activities in the Agency under one

controlling group. This in itself not only saves time and money

but also prevents major security flaps from arising in the field.

The second thing this reorganization permitted was the establish-

ment of the staff group within my office, thus enabling me to have

a group of expert personnel technicians to do the staff studies

work and the leg work concerned with the establishment of a true

personnel administrative program. Heretofore it was necessary,

because of the lack of such a unit, for one of the operating

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people to do the necessary research and study necessarily

involved in a personnel program encompassing [REDACTED] 37

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Research on career management and planning for and developing a well-rounded career program had occupied the Personnel Office for some time. For several years prior to 1951 the Personnel and Management staffs had considered proposals for developing a "career corps" of selected employees of the Agency. The July 1950 organizational chart showed the Personnel staff as responsible for "conducting research and preparing programs in various personnel fields including personnel management." Experimental programs had been conducted for indoctrinating new employees of grades GS-05 and below in the Agency as part of their entrance-on-duty (EOD) processing. As of September CIA had "on paper" an "employee career management program" administered by the Office of Personnel. However, little support for such a program was evident in top management levels. 38

In the December 1950 reorganization, General Smith established a new Training Division attached to his own office. Responsibility for planning and development of the Director's cherished conception of a career corps was

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now placed in the hands of the new Chief of Training, Colonel Matthew Baird, a retired Air Force Reserve Officer. The career planning and orientation programs hitherto carried on by the Personnel staff were thus transferred to his purview. A memorandum from the new Executive, Murray McConnell, (he was shortly to be renamed the DDA) to all Assistant Directors dated 15 November 1950, named William J. Kelly, Personnel Director, "In charge of all personnel problems except those under the Training Section."

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A revision of [REDACTED] dated 19 January 1951, added the function of collaborating with the Director of Training in the procurement of qualified employees for career development. The two Offices worked closely on the training and recruitment programs of the Agency during the next few years, sharing many aspects of the career development program. Personnel was concerned with the recruitment of trained personnel, Training with the additional training and shaping of those individuals for positions of responsibility.

GROWTH OF THE PERSONNEL OFFICE

The period from 1950 to 1953 was one of tremendous growth throughout the Agency, requiring acceleration of recruitment, placement and overall personnel

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management efforts to meet the rapidly expanding intelligence and operational mission. Personnel in the administrative support components increased

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Throughout this three-year period, continuing efforts were made by the Director and his DDA to strengthen the authority and control of the Personnel Office over the Agency's entire personnel program. In early 1951, the Personnel staff was increased from [REDACTED] covering all personnel administration, [REDACTED], the first consideration given personnel staffing in a two-year period.

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The recruitment problem, particularly in light of the greatly-expanded personnel requirements of the Agency, was a crucial one. Since CIA's positions were excepted from the Civil Service competitive system, the program was designed to locate personnel through channels outside the Civil Service

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Commission register system. Many of the categories comprising the Agency

position structure represented occupational fields unique in public service.

In addition, the sensitive nature of the Agency's mission together with the

security aspects involved contributed to the personnel procurement problem.

The prospective field of applicants was greatly curtailed by the basic

requirements which had to be observed before any individual could be con-

sidered for employment. Completion of personnel security checks, as

mentioned above, involved such prolonged time lapses that many applicants

accepted positions elsewhere, thus nullifying a considerable amount of re-

cruitment effort. And many candidates were rejected for security reasons.

Such considerations as extra-hazardous duty, proximity to potential enemies,

lack of health and medical facilities, inadequate living conditions, absence

of educational and recreational facilities, and unfavorable climates -- these

and other factors combined to make recruitment of qualified personnel a

difficult task. Studies in 1950 and 1951 disclosed that in excess of thirty

percent of the applicants for whom appointment processing was started failed

to come on duty either for security reasons or because of declination on the

part of the applicants. ⁴¹

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A survey and re-evaluation of the functions and accomplishments of the Personnel Procurement Division conducted in April and May of 1951 resulted in a further reorganization of the Division and led to approval of a sizeable increase in staff. A total of sixteen individuals had been charged with recruitment responsibilities; now an increase to [REDACTED] persons was authorized to carry out procurement for all categories of personnel. Recruitment officers were permanently assigned to geographic areas. Generally their assignments required concentration on specific occupational categories or individual Agency organizational segments. New sources of recruitment were developed on a continuing basis.

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In mid-1951, Walter W. Wolfe, then DDA for the Agency, to give greater weight and authority to the personnel function, awarded Assistant Director status to the Office, and brought in Brigadier General F. Trubee Davison, USAF, Retired, as the First Assistant Director for Personnel. George Meloon succeeded William Kelly as Personnel Director and continued in that position during General Davison's tenure and for several years thereafter.

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CAREER SERVICE PROGRAM

As a result of General Smith's interest in building a corps of well-qualified individuals interested in making a continuing career with the Agency, a career program was a major priority. On 3 July 1951 Colonel Baird, Director of Training, delivered to the Director a comprehensive plan for a career corps, which had received the endorsement of the Assistant Director for Personnel, General Davison. On 24 July 1951, the DCI approved the plan in principle and it was distributed to the Deputy Directors and Assistant Directors for their comments and recommendations on 7 August. As a result of these recommendations, General Smith on 13 September 1951 established a Career Service Committee and directed it to implement the proposal to establish a Career Program in CIA, and to resolve such differences of opinion as had been voiced by the Deputy Directors and Assistant Directors in their review of the program plan. The Committee was chaired by General Davison as Assistant Director for Personnel. Other members were [REDACTED] Assistant Director for the Office of National Estimates; [REDACTED] Assistant Director for the Office of Special Operations; and Colonel Baird, Director

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of Training. The Committee selected [REDACTED] to act as its Executive Secretary.

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The Career Service Committee met on 24 September 1951, and between that date and the transmittal of its final report to the Director in June 1952, it held twenty-eight meetings. Eight Working Groups were established; one to deal with each of the following subjects: Selection Criteria, Employee Rating, Career Benefits, Trainees, Extension Training, Rotation, Personnel Development Program and Honor Awards. Each group was assigned a series of specific problems; the Executive Secretary was charged with coordinating the various activities of the Committee segments. The Committee and each of its Working Groups kept detailed records and minutes of their proceedings so that it would be possible for full coordination of the intricate and complex aspects of the establishment of a career program. More than sixty key executives were actively involved in the activities of the Working Groups in the development and planning of the Agency's Career Service Program.

On 22 January 1952 the Career Service Committee made a Program Report to the DCI in which the general framework of the proposed Career Service

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Program was outlined. On 7 March 1952 the Committee received the Director's comments on the Progress Report which listed eight major points, each containing a number of items which he wished to have considered. Subsequently, four of the Working Groups were called back for action, and a new one established, and during the months of April and May the matters of controversy were resolved and the final details of the proposed Career Program planned.⁴³

During 1952, in addition to improving and broadening the services offered by the Personnel Office, the Personnel staff was concerned with strengthening the career service concept, taking an active part in the study of the subjects covered by the Working Groups and furnishing a variety of statistical and other data for the projects. After General Smith gave his final approval of the program. Career Services Boards were set up in all major organizational components and a CIA Career Service Board, composed of top Agency Officials, was established in June 1952 to coordinate career service activities on an Agency-wide basis. Specialized Boards and panels were activated to continue work on the proposals studied by the original Working Groups. The Personnel Office assisted in defining and clarifying

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the functions and responsibilities of the various boards. When installation of the Personnel Evaluation Report was approved as a basic tool of the Career Service Program, appropriate regulatory and procedural materials providing for use of this reporting system in other personnel activities were developed by the Personnel Office. An intensive training program on the subject was conducted jointly with the Office of Training.⁴⁴

PERSONNEL OFFICE DEVELOPMENTS 1952 - 1953

The Agency became fairly well stabilized in its staffing during 1952. The reorganized and greatly enlarged recruitment staff had produced beyond expectation. Procurement was limited largely to obtaining replacement personnel although special recruitment, particularly to meet project requirements, required intensive effort in certain areas. Clerical recruits, as always difficult to find and hold, continued to qualify for the "hard-to-get" category. However, the lessening of quantitative requirements allowed for increasing selectivity in the recruitment process as General Smith had hoped.

With recruitment thus limited to replacement of attrition, the emphasis shifted from recruitment to the development of a well-rounded personnel program. Steps in this direction during the year were the continuing improvement

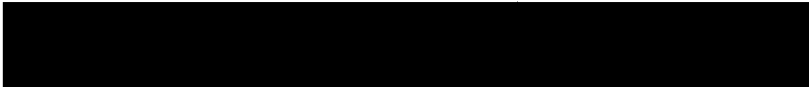
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and simplification of personnel procedures and records, the beginning of the development of a personnel manual (which gave way to the new Agency system of regulatory issuances), the completion of the coding of qualifications of employees and increased emphasis on in-service placement activities and employee services, and applicants and the establishment of this data on machine records; improved personnel statistical reports, (responsibility for the production of all personnel statistics and for record-keeping and processing of tables of organization and personnel ceilings was transferred to the Personnel Office during 1952).

Calendar year 1952 also saw a beginning of implementation of Agency policy for decentralizing certain administrative activities, including personnel operations. The Personnel Office was chiefly responsible for assisting

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have a continuing responsibility for assisting with the establishment of similar missions and furnishing continued support once they had been set up.

A team of classification analysts visited one overseas project and conducted a comprehensive survey of a type contemplated for all overseas areas.

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During the year a Special Contracting and Allowances Staff was established in the Personnel Office to administer the special contracting which was transferred to the Office of Personnel and combined with the overseas allowances activity. The Staff was responsible in cooperation with the Office of the General Counsel, for the preparation of all Agency personal service contracts and other special contracts required in support of covert operations. The Staff was also responsible for recommending to the Personnel Director the establishment of special allowances and differentials which could be granted in lieu of or in the absence of standardized allowances and differentials, and for periodically reviewing them to make such changes as might be desirable or required by local conditions.⁴⁵

In October 1951, Walter R. Wolf, the new DDA, suggested to General Davison a merger in which the Office of Training and the Medical Office would move together under the jurisdiction of the Personnel Office--a further attempt to strengthen the authority of Personnel--and place under one roof those components in large part concerned with personnel matters. General Davison stated in his reply that of the two, he believed the Medical Office

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could more easily be assimilated, since like Personnel, it was under the DDA's purview. The Office of Training, on the other hand, was still an arm of the Director's Office, under the Director's immediate supervision, and was a large and growing organization with an increasing variety of functions. The Personnel Office itself had a residue of problems of its own to resolve. He did not refuse the invitation nor express unwillingness to take on the added responsibility; however, no change took place during the remainder of General Smith's regime. ⁴⁶

Certain responsibilities of the Office of Training originally discharged by the Personnel Office, were subsequently transferred back to Personnel in 1952 and early 1953--staff work on career development and operation of holding pools for provisionally cleared recruits. Personnel and Training continued to work closely together on matters of mutual interest and concern. In April 1952, when General Davison returned to private life, Colonel Baird served in a dual capacity as Director of the Office of Training and Assistant Director for Personnel until August 1952 when General W. H. H. Morris assumed the Assistant Director responsibility. ⁴⁷

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As early as December 1951, in a DCI staff meeting, the Director, answering a query from the DDA as to whether CIA's expansion was, in general, too rapid, gave an unequivocal "Yes," adding that it would be the policy of the Agency to go slowly on expansion and at the same time to insist on high quality in personnel. He preferred that the Agency be understaffed rather than have unqualified individuals as employees. Very careful selection of personnel combined with an effort to secure people prepared to stay for some substantial period of time would be required. General Smith stated that he was not satisfied with the current forecasts of future expansion. In some cases, these would have to be reduced by as much as one-half to two-thirds.

At a staff meeting on 21 January 1952, General Smith stated that he wished that T/O's for fiscal year 1953 not be filled; such increases would prevent the Agency's being sufficiently selective. He provided a firm figure of the number of departmental and field personnel that was not to be exceeded.⁴⁸

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Prior to his departure from the Agency in February 1953, General Smith again reviewed the Agency's manpower ceiling situation, on the logical assumption that the incoming Eisenhower administration would take a stand on greater economy throughout Government. After the review carried out by the DDA, Mr. Wolf reported that CIA had voluntarily reduced its personnel requirements by 25 percent, and that General Smith had established a ceiling approximately 25 percent below the revised figure. To the last, the General adhered to his resolve that quality, not quantity, would be the Agency's primary goal.⁴⁹

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FOOTNOTES

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2. Arthur B. Darling, "The Birth of Central Intelligence," adapted from a history of the Central Intelligence Agency, Studies in Intelligence, X 2, pp 3,4. Hereafter referred to as Studies.

3. Harry Howe Ransom, Central Intelligence and National Security, (Cambridge, Mass.: Harvard University Press, 1958) p. 64. Mr. Ransom quotes from Stewart Alsop's and Thomas Braden's Sub Rosa, (New York: Reynal and Hitchcock, 1946) p. 23.

4. Ibid.

5. Darling, "Central Intelligence under Souers," Studies, XII 1, pp. 55, 56, 67.

6. George E. Meloon, Memorandum to Historical Staff, "History of CIA Office of Personnel," 13 December 1954. Office of Personnel files.

7. Admiral Sidney W. Souers, Memorandum for the National Intelligence Authority, "Progress Report on the Central Intelligence Group," 7 June 1946. O/DCI/HS files.

8. Ibid.

9. Darling, "Vandenberg as DCI," Studies, XII 1, pp. 68-71.

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10. Ibid.

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26. Darling, The Central Intelligence Agency - an Instrument of Government, CIA History, Chapter VIII, pp. 5, 6. O/DCI/ES files.

The Eberstadt Report went to Congress, the Dulles survey was conducted at the direction of the NSC. Darling notes that among members of Congress, Hillenkoetter was said to have "enjoyed downright popularity." The Dulles Group reported to a body which had before it for consideration a plan to place covert operations under the aegis of the State Department with the aid of the military services. The NSC was composed of representatives still openly hostile toward Vandenberg's and Hillenkoetter's efforts "to act as Directors of Central Intelligence with only the advice and not the consent of the departmental chiefs of intelligence in the Intelligence Advisory Council." Darling adds, "The Dulles Report afforded men who were vexed with Hillenkoetter, for one reason or another, an opportunity, and incentive, to put their annoyance into action."

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